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October 13, 2020

B.C. Sustainable Energy Association
c/o William J. Andrews, Barrister & Solicitor
1958 Parkside Lane
North Vancouver, B.C.
V7G 1X5

Attention: Mr. William J. Andrews

Dear Mr. Andrews:

Re: FortisBC Energy Inc. (FEI)

Project No. 1599112

**System Extension Fund (SEF) Pilot Program Compliance Filing and Application
for Approval of the SEF on a Permanent Basis (the Application)**

**Response to the B.C. Sustainable Energy Association and Sierra Club of British
Columbia (BCSEA) Information Request (IR) No. 1 (Exhibit B-5) Question 2.3
Errata**

On September 24, 2020, FEI filed its response to BCSEA IR No. 1 (Exhibit B-5) in the above noted proceeding. It has come to FEI's attention that a correction is required to the response to BCSEA IR1 2.3. FEI respectfully submits the attached Errata to the response to BCSEA IR1 2.3.

To assist parties in identifying the revisions made, FEI attaches a blacklined and clean version of the Errata to the IR response.

If further information is required, please contact the Jason Wolfe, Director, Energy Solutions at 604-592-7516.

Sincerely,

FORTISBC ENERGY INC.

Original signed:

Diane Roy

Attachments

cc (email only): Commission Secretary
Registered Parties



FortisBC Energy Inc. (FEI or the Company) System Extension Fund (SEF) Pilot Program Compliance Filing and Application for Approval of the SEF on Permanent Basis (Application)	Errata Dated: October 13, 2020
Response to the B.C. Sustainable Energy Association and Sierra Club of British Columbia (BCSEA) Information Request (IR) No. 1 – Question 2.3	Page 3

1
2 2.3 Please provide a rate impact analysis for the customers who received funding
3 under the SEF in 2017-2019.

4
5 **Response:**

6 The following table provides the results for those customers added under the SEF program.
7 Even with the additional funds paid as a result of the SEF program, adding the SEF customers
8 resulted in only a modest cost to existing customers (average rate impact of 0.01 percent or 8
9 cents per customer). Note that the analysis includes all the costs but only approximately 1.5
10 years of revenues, which will continue to accrue over the life of the main. It also does not
11 include potential future customer additions to the SEF main extensions during the 5-10 year MX
12 addition window, which could result in further savings to existing customers. It is reasonable to
13 expect that mains that continue to generate revenues will, over the lengthy service life of the
14 mains, be modest net contributors of benefits to customers as a whole.

	RIA Results for 2017-2019 Growth Related to Customers Under SEF Program
Average Cost per GJ with Growth	\$4.1682
Average Cost per GJ without Growth	\$4.1678
Rate Impact per GJ	\$0.0004
Percentage of Rate Impact	<u>0.01</u> %
Average <u>Cost</u> per Customer	8 cents per customer per year

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16



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